



August 28, 2007

Mr. Brad Powell
Horrocks Engineering
P.O. Box 377
American Fork, UT 84003

Re: Consultation - Potential value diminution of real estate values as a result of the South Layton Interchange Alternative 2 along 700 South between Flint Street and Fort Lane.

Dear Mr. Powell:

Pursuant to your request as to the potential value diminution to real estate located around the proposed South Layton Interchange Alternative 2, between Flint Street and Fort Lane, we are providing the following. We have conducted research regarding this issue and this letter represents our opinions based on the information gathered.

Case studies for the residential and commercial components of the project were conducted. The studies are briefly outlined below.

Case Study 1: This case study is located in the North Ogden/Pleasant View area. There is an I-15 interchange at 2700 North. This roadway originally dead-ended just east of the interchange. Subsequently, the road has been extended to the east and connects with 2600 North at Washington Boulevard. The intervening area, as well as the area east of Washington Boulevard are largely residential, with homes fronting 2600 North. Sales prices for homes were analyzed before and after extension of the roadway. No discount was noted in the before and after conditions that wasn't attributable to unrelated factors.

Case Study 2: This study analyzed two newer subdivisions in South Jordan contiguous to Bangerter Highway, the major north-south thoroughfare in the area. Sale prices of homes within these subdivisions that back onto Bangerter Highway were compared to those located further to the east. The homes that abutted Bangerter Highway showed no value difference from those located in ostensibly better locations within the subdivision.

Case Study 3: This case study is of newer subdivisions located in Kaysville east of I-15 along the frontage road. Sale prices of homes along this frontage road were compared to those located without immediate proximity to I-15 and the frontage road. No value diminution was noted for homes with I-15/frontage road proximity.

Case Study 4: This case study relates to the increase in commercial land values in the subject area, and identifies an increase in market value based upon anticipation of the proposed South Layton Interchange.

As additional support, this issue has previously been extensively analyzed in conjunction with the construction of I-215 in the Holladay City area. There are numerous expensive homes that back onto the freeway, and no diminution of value is shown.

In conclusion, the residential case studies identify no discount or diminution in value for increased traffic or nuisance for proximity to high-traffic routes. Commercial properties typically benefit from increased traffic and proximity to an interchange. This is supported by the commercial case study. Final conclusion based upon these case studies is that there is no supportable negative impact on value for the proposed South Layton Interchange.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Cook", written in a cursive style.

J. Philip Cook, MAI, CRE

Utah State-Certified General Appraiser Certificate 5451057-CG00 Expires 06-30-09
